

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF NEW YORK**

In re:

SEARS HOLDINGS CORPORATION, *et  
al.*<sup>1</sup>

Debtors.

Chapter 11

Case No. 18-23538 (RDD)  
(Jointly Administered)

**Re: Docket No. 1720**

**Objection Deadline: January 28, 2019 at 4:00 p.m. (ET)**  
**Hearing Date: No Hearing Set**

**LIMITED OBJECTION OF 1055 HANOVER, LLC TO NOTICE OF INTENT TO  
CONDUCT STORE CLOSING SALES, REQUEST FOR ADEQUATE PROTECTION  
AND JOINDER IN LIMITED OBJECTION OF 1 IMESON PARK BLVD, LLC**

1055 Hanover, LLC ("Landlord"),<sup>2</sup> the lessor of debtor-in-possession Sears Holdings Corporation's ("Tenant") approximate 1,062,336 square foot distribution center/warehouse premises located at 1055 Hanover Street, Wilkes Barre, Pennsylvania (the "Premises"), hereby joins in and incorporates herein by reference as if set forth in full the Limited Objection of 1 Imeson Park Blvd., LLC (the "Imeson Park Landlord") to Notice of Intent to Conduct Store Closing Sales and Request for Adequate Protection [Docket No. 1502] (the "Imeson Park

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innoval Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); SHC Licensed Business LLC (3718); and SHC Promotions LLC (9626). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

<sup>2</sup> Landlord is affiliated with LBA Realty LLC. Affiliates of LBA Realty LLC, including Landlord, are the lessors of several of Debtors' distribution centers, located throughout the United States.

Limited Objection"). On January 18, 2019, Debtors filed their Notice of Intent to Conduct Store Closing Sales [Docket No. 1720] (the "Notice of Intent") seeking to apply the Store Closing Order and Store Closing Procedures to the Premises.<sup>3</sup> Landlord and the Imeson Park Landlord are both affiliated with LBA Realty LLC. Because both landlords are affiliated, both applicable premises are distribution centers/warehouses, and both applicable leases contain similar language, Landlord hereby objects to the Notice of Intent and requests adequate protection on the same terms as the Imeson Park Limited Objection.

While informal discussions with the Debtors' counsel following the filing of the Limited Objection have clarified that public sales of inventory at the closing distribution centers are not contemplated, there remain numerous unresolved questions regarding the proposed nature and conduct of the Debtors' contemplated sale of equipment and fixtures at the Premises.

Accordingly, Landlord hereby joins in and incorporates herein in full the Imeson Park Limited Objection as Landlord's limited objection and request for adequate protection with respect to the Notice of Intent.

### **RESERVATION OF RIGHTS**

Landlord reserve the right to amend and/or supplement this objection and to raise any additional objections to the Motion or Notice of Intent at the hearing to consider the Motion and Notice of Intent based on new information provided by Debtors or new relief sought by Debtors.

### **JOINDER IN OBJECTIONS RAISED BY OTHER LANDLORDS**

To the extent not inconsistent with this objection, Landlord joins in the objections to the Motion and Notice of Intent asserted by other landlords and contract counterparties.

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<sup>3</sup> Capitalized terms not otherwise defined herein are used in the same sense and with the same meaning as in the Limited Objection.

**CONCLUSION**

**WHEREFORE**, Landlord requests that the Court enter an order: (i) modifying the Store Closing Procedures, as requested in the Imeson Park Limited Objection; (ii) providing Landlord with adequate protection of its interests, as described in the Imeson Park Limited Objection; and (iii) granting such other and further relief as this Court deems just and proper.

Dated: January 28, 2019  
New York, New York

KELLEY DRYE & WARREN LLP

/s/ Robert L. LeHane

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*Attorneys for 1055 Hanover, LLC*

**CERTIFICATE OF SERVICE**

I, Scott L. Fleischer, do hereby certify that I am not less than 18 years of age and that on the \_\_\_\_ day of January 2019, I caused a copy of the foregoing LIMITED OBJECTION OF 1055 HANOVER, LLC TO NOTICE OF INTENT TO CONDUCT STORE CLOSING SALES, REQUEST FOR ADEQUATE PROTECTION AND JOINDER IN LIMITED OBJECTION OF 1 IMESON PARK BLVD, LLC to be filed electronically through the Court's CM-ECF system, and served upon the parties listed below in the manner indicated.

\_\_\_\_\_  
/s/  
Scott L. Fleischer

**Via Email**

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| Counsel to Official Committee of Unsecured Creditors<br>Ira S. Dizengoff, Esq.<br>Philip C. Dublin, Esq.<br>Abid Qureshi, Esq.<br>Sara L. Brauner, Esq.<br>Akin Gump Strauss Hauer & Feld LLP<br>One Bryant Park<br>New York, NY 10036<br><a href="mailto:idizengoff@akingump.com">idizengoff@akingump.com</a><br><a href="mailto:pdublin@akingump.com">pdublin@akingump.com</a><br><a href="mailto:aqureshi@akingump.com">aqureshi@akingump.com</a><br><a href="mailto:sbrauner@akingump.com">sbrauner@akingump.com</a> | Counsel to Debtors<br>Ray C. Schrock, P.C.<br>Jacqueline Marcus, Esq.<br>Garrett A. Fail, Esq.<br>Sunny Singh, Esq.<br>Weil, Gotshal & Manges LLP<br>767 Fifth Avenue<br>New York, NY 10153<br><a href="mailto:ray.schrock@weil.com">ray.schrock@weil.com</a><br><a href="mailto:jacqueline.marcus@weil.com">jacqueline.marcus@weil.com</a><br><a href="mailto:garrett.fail@weil.com">garrett.fail@weil.com</a><br><a href="mailto:sunny.singh@weil.com">sunny.singh@weil.com</a>                         |
| United States Trustee, Southern District of New York<br>Paul Schwartzberg<br>Richard Morrissey<br>201 Varick St.<br>Ste. 1006<br>New York, NY 10014<br><a href="mailto:richard.morrissey@usdoj.gov">richard.morrissey@usdoj.gov</a><br><a href="mailto:paul.schwartzberg@usdoj.gov">paul.schwartzberg@usdoj.gov</a>  | Counsel to Bank of America, N.A., administrative agent under the First Lien Credit Facility and the DIP ABL Agent<br>Paul Leake, Esq.<br>Shana Elberg, Esq.<br>George R. Howard, Esq.<br>Skadden, Arps, Slate, Meagher & Flom LLP<br>155 N. Wacker Drive<br>Chicago, IL 60606<br><a href="mailto:Paul.Leake@skadden.com">Paul.Leake@skadden.com</a><br><a href="mailto:Shana.Elberg@skadden.com">Shana.Elberg@skadden.com</a><br><a href="mailto:George.Howard@skadden.com">George.Howard@skadden.com</a> |

**Via First Class Mail**

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| United States Bankruptcy Court for the<br>Southern District of New York<br>Sears Chambers Copy<br>US Bankruptcy Court SDNY<br>300 Quarropas Street, Room 248<br>White Plains, NY 10601<br>Chambers of the Honorable Robert D. Drain | Sears Holdings Corporation Headquarters<br>3333 Beverly Road<br>Hoffman Estates, IL 60179 |
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